



U.S. Immigration
and Customs
Enforcement

April 27, 2006

News Release

30 individuals charged in trade-based money laundering scheme

--24 suspects arrested in Florida, Massachusetts, New York, Pennsylvania, Puerto Rico, and Colombia--

ATLANTA, GA --"Operation Rainmaker," a major, multi-national federal drug and money laundering investigation, has culminated with 24 arrests in the United States and Colombia. During the course of the investigation more than \$7.5 million in alleged drug proceeds, more than 24 kilograms of cocaine, and more than 2 kilograms of heroin were seized.

U.S. Attorney David E. Nahmias, said of Operation Rainmaker, "A key element in drug investigations is following the money. In this cooperative investigation with ICE and IRS, hard work by many agents resulted in a clear picture of significant amounts of allegedly drug-derived money and where it was going. Just like illegal drugs, the dirty money goes all over the world, and we will make every effort to get the drugs and the cash as well as the criminals."

In Washington D.C., Julie L. Myers, Assistant Secretary for Immigration & Customs Enforcement, (ICE), U.S. Department of Homeland Security, said: "The Black Market Peso Exchange blurs the line between crime and commerce, using global trade to mask international money laundering. This investigation demonstrates what can be achieved when law enforcement agencies at home and abroad work together to target this sophisticated form of money laundering."

Rebecca A. Sparkman, Special Agent-in-Charge, Internal Revenue Service-Criminal Investigation, Atlanta said, "IRS Criminal Investigation, together with other members of the law enforcement community, is united in our resolve to financially disrupt criminal organizations that commit crimes against society and the world economy."

According to U.S. Attorney Nahmias and information presented in court:

Beginning in August 2003, ICE-Atlanta initiated a multi-national, multi-agency investigation into a money laundering and drug trafficking organization. This investigation was designated Operation Rainmaker. This organization allegedly laundered drug proceeds in several ways through what is known as the Black Market Peso Exchange.

The organization arranged for drug proceeds in the form of U.S. dollars to be picked up in numerous places, including New York City; Brockton, Massachusetts; Atlanta; Philadelphia; and Puerto Rico. Following the pick-up of U.S. currency, an equivalent amount of Colombian pesos was delivered to the organization in Colombia. In some instances, following the money pick-ups, the U.S. dollars,

less a commission, were wire transferred into bank accounts in the United States and elsewhere, as instructed by the organization.

Thirty individuals have been indicted by a federal grand jury in Atlanta for their participation in the scheme. The defendants are currently charged with conspiring to launder drug proceeds, conspiracy to distribute controlled substances, and various other money laundering charges. They face potential penalties of up to life imprisonment.

Eight of the defendants indicted in Atlanta were arrested by Colombian authorities in Colombia, South America, on Monday and Tuesday of this week. The United States will seek their extradition. Sixteen of the remaining 22 defendants were arrested yesterday by ICE and IRS agents in Miami, Brockton, MA; New York; Philadelphia, and Puerto Rico or were already in custody. The remaining six defendants charged in the indictments are fugitives.

Members of the public are reminded that the indictment contains only allegations. A defendant is presumed innocent of the charges and it will be the government's burden to prove a defendant's guilt beyond a reasonable doubt at trial.

ICE

U.S. Immigration and Customs Enforcement (ICE) was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.